



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

June 23, 2011

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First District

MARK RIDLEY-THOMAS
Second District

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Third District

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Don Knabe
Supervisor Zev Yaroslavsky

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "WTF", is written over the printed name of William T. Fujioka.

SACRAMENTO UPDATE

This memorandum contains two pursuits of County position on legislation to allow licensed hospital pharmacies to be located outside a hospital, and expansion of provisions for paid leave for employee organization activities; and updates on nine County-advocacy measures.

Pursuit of County Position on Legislation

AB 377 (Solario), which as amended on April 14, 2011, would allow a licensed hospital pharmacy to include a pharmacy physically located outside of the hospital, in either at another location on the same premise, or at a separate premise located within a 100-mile radius of the hospital. The measure would specify that a centralized hospital pharmacy would only be authorized to provide services to individuals who are admitted or registered patients of a hospital within the same health care system and would require any unit-dose medication produced by a hospital centralized pharmacy to be bar-coded.

Existing law establishes policies for the licensure and regulation of pharmacies, including hospital pharmacies, by the California State Board of Pharmacy. The law prohibits the operation of a pharmacy without a license and requires a separate license for each pharmacy location. As a condition of licensure, a hospital pharmacy may only provide on-site pharmaceutical services to patients registered in the hospital.

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According to the Department of Health Services (DHS), AB 377 would allow hospital centralized pharmacies to share their bar-coding technology license which would permit prescriptions to be filled by pharmacies within a 100-mile radius of the hospital. DHS indicates that AB 377 would enhance patient access to vital medications, improve patient safety, and facilitate health care services to patients at the multiple hospitals within the County's health care system.

The Department of Health Services and this office support AB 377. Therefore, consistent with Board policy to support proposals to enhance access to prescription drugs, devices and immunizations for low-income, uninsured persons, **the Sacramento advocates will support AB 377.**

AB 377 is sponsored by the California Hospital Association and supported by the California Pharmacists Association, the California Society of Health-System Pharmacists, and the Antelope Valley Hospital. There is no registered opposition on file.

AB 377 is scheduled for hearing before the Senate Appropriations Committee on June 27, 2011.

AB 1203 (Mendoza), which as amended on April 27, 2011, would expand on provisions of current law governing leaves of absences for classified school employees and local public agency employees who are representatives of employee organizations.

Existing law requires: 1) school and community college districts to grant a classified employee a paid leave of absence in order for that employee to serve as an elected officer of an employee organization; 2) that the employee organization reimburse the school district or community college district for the cost of releasing the employee; and 3) that local public agencies allow a reasonable number of employee organization representatives compensated reasonable time-off to attend formal negotiations on matters within the scope of representation.

AB 1203 would require local government agencies to grant time-off to employee representatives to testify, participate, or represent the employee organization in matters in furtherance of the employee organization's right to represent members in employment relations, including personnel and merit commission hearings, city council meetings, and labor management committee meetings.

The Chief Executive Office's Benefits, Compensation, and Employee Relations Division indicates that this measure is overly broad, and could be interpreted to require the County to allow as many employees as the union requests to use unlimited work time for any activity related to employee organization activities. The County currently allows employee representatives to use County time for negotiations, consultations, and labor-management committee meetings. Under current law the County may limit the number

of people released, or deny release to individual employees if the need to provide public service demands it. AB 1203 would require the County to release employees for any kind of employee organization activity and without regard to the County's service needs.

The Chief Executive Office opposes AB 1203. Therefore, consistent with existing Board policy to oppose adverse State actions on the County and oppose any abridgement or elimination of the Board of Supervisors' power and duties unless it promotes a higher priority of the Board, **the Sacramento advocates will oppose AB 1203.**

AB 1203 is sponsored by the American Federation of State, County and Municipal Employees, and the California School Employees Association, and supported by the California Federation of Teachers and Service Employees International Union California. The measure is opposed by the California Association of School Business Officials and the Community College League.

AB 1203 is set for a hearing in the Senate Public Employee and Retirement Committee on June 27, 2011.

Status of County Advocacy Legislation

County-supported AB 402 (Skinner), which as amended on May 27, 2011, would, among other provisions: 1) authorize a school district and county office of education to enter into a memorandum of understanding with the local agency that determines CalFresh program eligibility, or its designee, to share information provided on the School Lunch Program (SLP) application to determine an applicant's eligibility; 2) require each county to determine CalFresh program eligibility for children from the information provided on a SLP application; and 3) request parental consent to share information on the SLP application with the local county welfare offices to determine CalFresh eligibility, passed the Senate Education Committee by a vote of 8 to 1 on June 22, 2011. This measure now proceeds to the Senate Human Services Committee.

County-opposed AB 720 (Hall), which would limit the flexibility of counties who utilize Road Commissioner Authority for work on roads and highways for more than maintenance and emergency, effectively prevent these counties from using the Uniform Public Construction Cost Accounting Act, and limit the percentage of work that can be performed for road construction and reconstruction to 20 percent of all force account work done in a county, passed the Senate Transportation and Housing Committee by a vote of 7 to 0 on June 21, 2011, as amended. This measure now proceeds to the Senate Governance and Finance Committee where it is currently set for a hearing on July 6, 2011.

The amendments taken in Committee are not in print yet. However, the Sacramento advocates have indicated that the amendments were negotiated with the California State Association of Counties, Urban County Caucus, Regional Council of Rural

Counties, and other public entities to address the concerns of counties negatively impacted by AB 720. The Department of Public Works and this office will review the amendments to AB 720 once they become available to determine the impact to the department and County.

County-supported AB 723 (Bradford), which would extend the sunset date on the public goods charge (PGC) to 2016, was amended on June 20, 2011. The electricity PGC is a nonbypassable surcharge imposed on all retail sales to fund public goods research, development and demonstration, and energy efficiency activities.

The June 20, 2011 amendments would now extend the sunset date on the PGC to January 1, 2020 and provide clarity on how energy efficiency programs funded under the PGC shall be administered. Specifically, the amendments would: 1) give priority status to PGC programs for low-moderate income families, those in extreme temperature regions, and those who pay high bills; 2) require the utilities to develop programs for granting more energy efficiency related contracts to minority and women owned businesses; 3) require PGC programs to support the State's long-term goals for building efficiency; 4) limit administration and evaluation of PGC programs to 10 percent of the budget; 5) establish limits on rebates and incentives; and 6) ensure that third-party entities, including regional government energy management centers, directly administer a reasonable portion of the program.

The Internal Services Department (ISD) indicates that the amended language supports the concept of expanding existing energy management resources like the County's to other local jurisdictions. ISD states that this would make energy efficiency more widespread and cost effective and, therefore, continues to support AB 723. This measure is set for a hearing on June 29, 2011 in the Senate Governance and Finance Committee.

County-supported SB 33 (Simitian), which as amended on June 15, 2011, would repeal the January 1, 2013 sunset date and make permanent provisions established by SB 1018, (Chapter 140, Statutes of 2005), that expanded the scope of the Elder Abuse and Dependent Adult Civil Protection Act to include officers and employees of financial institutions as mandated reporters of financial abuse of an elder or dependent adult, passed the Assembly Aging and Long Term Care Committee by a vote of 5 to 0 on June 21, 2011. This measure now proceeds to the Assembly Public Safety Committee. The amendments added on June 15, 2011 would allow law enforcement officials to obtain financial records related to criminal investigations.

County-opposed SB 244 (Wolk), which would: 1) require a city or county to amend its general plan to include an analysis of the presence of island, fringe, or legacy unincorporated communities inside or near its boundaries; 2) require a city or county to take specified action related to the conditions or deficiencies within these areas and outline implementation measures to achieve the goals for eliminating or reducing the

negative conditions; and 3) prevent local agency formation commissions from approving annexations to a city unless specified conditions are met, passed the Assembly Local Government Committee by a vote of 6 to 3 on June 22, 2011. This measure now proceeds to the Assembly Housing and Community Development Committee.

County-opposed SB 469 (Vargas), which would require a city, county, or city and county, prior to approving or disapproving a proposed development project that would permit the construction of a superstore retailer, as defined, to cause an economic impact report to be prepared, passed the Assembly Local Government Committee on by a vote of 5 to 3 on June 22, 2011. This measure now proceeds to the Assembly Appropriations Committee.

County-supported SB 502 (Pavley), which as amended June 15, 2011, would establish the Hospital Infant Feeding Act, passed the Assembly Health Committee by a vote of 14 to 5 on June 21, 2011. This measure now proceeds to the Assembly Appropriations Committee.

County-opposed SB 744 (Wyland), which as amended on May 3, 2011, would exempt water submeters for use in a multiunit residential structure from testing and approval by the county sealer before they are placed into service for commercial use, passed the Assembly Business, Professions and Consumer Protection Committee by a vote of 6 to 0 on June 21, 2011. This measure now proceeds to the Assembly Appropriations Committee.

County-opposed SB 776 (DeSaulnier), which as amended on June 15, 2011, would impose requirements related to the expenditure of Workforce Investment Act (WIA) funds on job training programs by establishing threshold requirements for the percentage of WIA funds provided to local workforce investment boards to be spent on training programs, support services, and specified bridge services, among other provisions, passed the Assembly Labor and Employment Committee by a vote of 5 to 1 on June 22, 2011. The measure now proceeds to the Assembly Appropriations Committee.

We will continue to keep you advised.

WTF:RA
MR:IGEA:lm

c: All Department Heads
Legislative Strategist